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1958
STATE LEGISLATION
AFFECTING
THE REA PROGRAM

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UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Electrification Administration

1958 STATE LEGISLATION AFFECTING THE REA PROGRAMS

1958 Legislative Sessions. The legislatures of 27 States had convened in 1958 up to the date of this report. Of these, 18 met in regularly scheduled sessions with the legislatures of 5 States--California, Colorado, Kansas, Maryland, and West Virginia--being restricted to consideration of budgetary matters. The Delaware legislature continued the session which had convened on January 1, 1957. Six of the States holding regular sessions in 1958 also met in special session as did the following 8 States--Connecticut, Illinois, Maine, Minnesota, New Hampshire, Ohio, Tennessee, and Wisconsin. The Tennessee session was concerned with matters relating to impeachment of a State official.

As of the date of preparation of this report, the legislatures of 3 States--Delaware, Massachusetts, and New Jersey--had not adjourned. It is possible that additional special sessions may be convened before the end of the year.

Scope of State Reports. The State reports summarize the legislative programs of borrowers insofar as they were made known to REA in response to inquiries made of their State organizations prior to the convening of the 1958 sessions. During the sessions, all available sources were utilized to identify, out of more than 25,000 bills which were introduced, those dealing directly or indirectly with the REA programs. Copies of practically all bills so identified were obtained and analyzed, and their final disposition determined and recorded. The reports include all such bills classified according to whether they dealt with electrification or telephone or both, describe them briefly and indicate their disposition.

The reports are not intended as a definitive presentation of all relevant State legislation which was considered in 1958. They serve rather as notice of legislative developments in the fields covered. The bills themselves, particularly those which were enacted, should be examined to determine their effect upon borrowers' programs and activities.

Highlights. The following are the highlights of the 1958 legislative developments which concern the REA programs and borrowers.

ELECTRIFICATION

Amendment of Borrowers' Enabling Laws. Arizona enacted legislation to permit directors of electric cooperatives to be elected for three-year staggered terms. Virginia amended the Electric Cooperative Act to give boards of directors authority to fix their compensation.

Protection of Cooperative Territory. A Georgia bill to amend the term "rural

are"as contained in the Electric Membership Corporation Act to permit electric cooperatives to continue service in areas annexed to municipalities died. South Carolina failed to pass legislation, which had been carried over from the 1957 session, authorizing electric cooperatives to continue service in areas which lose their rural character, requiring payment of 2 percent of gross revenues in cities or towns in lieu of taxes or license fees, and providing for the sale or exchange of facilities serving such areas. An alternate proposal to establish a committee to study South Carolina legislation involving rural electric cooperatives, municipalities, and private power companies failed.

Electric Lines. Louisiana and Mississippi considered but did not pass bills requiring precautions to be taken in proximity of high voltage overhead lines for the prevention of accidents. Massachusetts enacted legislation directing a study to be made regarding safety regulations for the operation of power equipment in the vicinity of transmission lines. A bill in New Jersey to require all future construction of electric lines to be placed underground is pending in committee. An Arizona bill which would have made it a misdemeanor to remove, injure, or sever electric wires died. Virginia enacted a law relating to liability of owners of transmission lines for the cost of suppression of brush fires resulting from construction, operation, or maintenance of such lines. A Louisiana bill requiring electric utilities to place high voltage warning signs on poles failed.

Electrical Licensing and Inspection. A bill to repeal the 1957 act creating the Delaware Board of Electrical Examiners was vetoed by the Governor. Georgia and Virginia enacted legislation relating to local regulation of electricians and electrical installations. Bills relating to municipal and county regulation were vetoed in New York and failed to pass in Kentucky and Massachusetts.

Electric Rates. A resolution to establish a legislative committee in Mississippi to investigate rates and charges for electricity failed. A South Carolina bill to place rates and services of the South Carolina Public Service Authority (Santee Cooper) under the regulation of the Public Service Commission died. Kentucky did not pass bills which would have permitted municipal utilities to set higher rates for services rendered outside the city limits and relating to payment of interest on rate refunds.

Atomic Energy - Radiation Regulation. Nine States considered legislation relating to atomic energy and regulation of radiation. Kentucky, Massachusetts, Rhode Island, and Virginia enacted laws establishing study, development, and regulatory agencies or commissions. Arizona and Michigan failed to pass bills providing for the development and regulation of activities pertaining to the peaceful uses of atomic energy. In New York the Governor vetoed a bill establishing an atomic energy study committee; and a bill establishing a council to coordinate atomic development and regulatory activities did not pass. A bill to regulate insurance rates for nuclear facilities failed in Mississippi, and legislation in Massachusetts establishing an atomic energy authority for the purpose of erecting reactors and distributing electrical power was killed.

South Carolina considered but did not pass legislation regulating radioactive material and operations. Virginia adopted a resolution directing its Advisory Legislative Council to study the effects of radiation.

Taxation. Mississippi made sales of electricity by rural electric cooperatives subject to sales tax. New Hampshire imposed a 4 percent utilities franchise tax on electric and gas utilities. Arizona bills to repeal the constitutional and statutory tax exemption of power and electrical districts failed. A California bill to require publicly owned utilities to pay school district taxes died.

Miscellaneous. Arizona failed to pass a bill to amend the Power Authority Act to give municipal power systems and electric cooperatives equal preference with power districts for the purchase of electric power. South Carolina enacted a law to give rural electric cooperatives and electric companies condemnation power to acquire land for the construction of generating plants and facilities. In New York the Governor vetoed a bill which would have prohibited the connection of an electric generator to an electrical system without notice to the operator of such system. A bill in Rhode Island authorizing any municipality to build or acquire an electric generating and distribution system died. Bills to establish a State Water Project Authority, create the Arizona Water Board and giving power and water districts additional authority to issue revenue bonds failed. Kentucky enacted a law requiring municipalities to purchase existing utility facilities rather than constructing similar facilities. Maryland adopted a resolution urging Congress to complete its study for development of the Potomac River basin. Louisiana considered but did not pass a bill to require utilities to carry liability insurance for customer damages resulting from temporary failure of service.

ELECTRIFICATION AND TELEPHONE

Amendment of Cooperative Enabling Act. Kentucky failed to pass a bill permitting trustees of rural electric or rural telephone cooperatives to be elected for three-year staggered terms.

Regulatory Commissions. Maryland enacted a law imposing an annual filing fee on every utility subject to the jurisdiction of the Public Service Commission. Legislation to increase the number of members of the Public Service Commission failed in Kentucky and is pending in New Jersey. Bills providing for the study of the operations of Public Service Commissions in New York and West Virginia died. A bill to increase the schedule of fees charged by the Board of Public Utilities is pending in New Jersey.

Utility Rates. Bills pertaining to regulation, reduction, or investigation of utility rates were considered but did not pass in Kentucky, Massachusetts, Mississippi, New York, and Virginia.

Utility Relocation Reimbursement. Bills relating to reimbursement of utilities

for costs of relocation of facilities because of highway construction were considered in six States. Virginia enacted a bill authorizing reimbursement for costs of relocating utility facilities along the Interstate System of State highways within cities or towns. Maine amended its 1957 law to make its provisions applicable to municipal utilities. Massachusetts directed the Legislative Research Council to study legislation providing that owners of utility facilities not be reimbursed for relocation costs. The Governor vetoed a New York bill authorizing reimbursement, and Georgia and Mississippi failed to pass bills on the subject.

Unclaimed Property. Kentucky enacted a law providing for disposition of unclaimed stocks, dividends, patronage refunds, or book equities of cooperatives. The Uniform Unclaimed Property Act failed to pass in Maryland.

Uniform Commercial Code. Kentucky enacted the Uniform Commercial Code.

Utilities - Labor Disputes. Rhode Island created a commission to study the feasibility of establishing a method of investigation, mediation, and arbitration of labor disputes involving utilities. A New Jersey bill to repeal the compulsory arbitration law is pending.

Junk Dealers. Virginia enacted legislation regulating the purchase and sale of second-hand metals including copper and aluminum wire. Bills regulating and licensing junk dealers failed in Arizona and Mississippi.

Miscellaneous. Massachusetts enacted a law extending the notice time to be given utility companies when their lines are required to be cut or removed but referred to the next annual session a bill requiring utility lines to be placed underground. Another Massachusetts bill to prohibit advertising by any public utility having a monopoly in the Commonwealth was referred to the next annual session. A Mississippi bill which would have taxed public utilities for use of highway right-of-way failed. Virginia considered but did not pass a bill authorizing counties to levy a 5 percent consumer or subscriber tax on utilities. Michigan again failed to pass a bill authorizing pole carriers to exceed the length limitation on highways under certain conditions.

TELEPHONE

Telephone Service. Mississippi failed to pass a bill requiring telephone companies to furnish reasonably adequate service at all times to persons applying in areas served by such companies.

Taxation. The Governor vetoed a Mississippi bill establishing a method of assessing and taxing the property of independent telephone companies located in not more than 5 counties. West Virginia repealed, for two years, the 5 percent credit on privilege taxes.

Rates. Bills to regulate rates for intrastate telephone service died in

Kentucky. Arizona and New York legislation establishing valuation of utility property for rate making purposes failed. A bill to investigate telephone rates in Massachusetts was referred to the next annual session. A Virginia bill authorizing inclusion of an escalator clause in rate schedules died.

Party Line Telephones. Rhode Island amended and reenacted its law providing penalties for refusing to relinquish party line telephones in emergencies.

Miscellaneous. Massachusetts bills to subject directory advertising rates to commission regulation and imposing requirements as to the publication of directories were withdrawn. A New York bill requiring metering of local calls failed.

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Office of the Administrator

July 18, 1958

1958 Arizona Legislation - Final Report
 Session: January 13 to March 15, 1958
 First Special: March 19 to April 2, 1958

Legislative Program

Electrification

Grand Canyon State Electric Cooperative in cooperation with the Arizona Municipal Power Users Association sponsored legislation to amend the Arizona Power Authority Act to give electric cooperatives and municipal power systems equal preference with power districts for the purchase of electric power (see H.B. 182). A. R. Spikes, member of the Board of Directors of Sulphur Springs Valley Electric Cooperative (Ariz. 14) introduced legislation amending the Electric Cooperative Act to permit election of directors for three-year staggered terms (see S.B. 150).

Legislation Considered

Electrification

Enacted

Electric Cooperative Act - Directors Terms - S.B. 150, approved March 17, 1958, Chap. 45 amends Sec. 10-758, Arizona Revised Statutes relating to the board of directors of electric cooperatives to permit cooperatives to elect directors for three-year staggered terms.

Failed

Arizona Power Authority - Preference for Power Allocation - H.B. 182, passed House, died in Senate, would have amended Sec. 30-125, Arizona Revised Statutes relating to preferences in allocation of power when power supplies are insufficient so as to give municipalities and electric cooperatives equal preference with electrical districts for the purchase of electric power. (This bill was introduced at the request of the Grand Canyon State Electric Cooperative and the Arizona Municipal Power Users Association. It had the support of the electric power districts. The bill passed the House on March 10 by vote of 57 to 15. It died in Senate committee. Further efforts to secure passage of this legislation are expected to be made at the next regular session of the Arizona legislature in 1959. Present contracts for Colorado River power will expire in the next few years. Increasing demands of existing electrical districts plus efforts to create new electrical districts may preempt the major portion of Arizona's allocation of Colorado River power to the detriment of the electric cooperatives.)

Electric Wire - Unauthorized Removal - S.B. 20, died in Senate committee, would have amended Sec. 13-885, Arizona Revised Statutes, which make it a misdemeanor to remove, injure, or sever telegraph or telephone wires, by including electric and television wires.

State Water Project Authority - H.B. 54, died in House committee, would have amended Title 45, Arizona Revised Statutes, by adding Chapter 3.1, to create the State Water Project Authority and authorize it to construct and operate the Glen-Bridge-Verde-Highline project on the Colorado River for irrigation, power generation, and other beneficial uses. The authority would have been given the power to issue revenue bonds for such construction; to organize irrigation and power districts; to acquire property through eminent domain proceedings; and to give preference to State agencies and non-profit organizations in sale of electric power.

Power and Water Districts - H.B. 269, died in House committee, would have added Sections 45-2201 to 45-2215, Arizona Revised Statutes, to provide additional authority for power, electric, and water districts to issue revenue bonds.

Arizona Water Board - H.B. 285, died in House committee, would have provided for the creation of the Arizona Water Board with powers to develop, control, protect, conserve, and utilize surface, ground waters, and watersheds of the State, and to perform certain functions with respect to power development.

Atomic Energy - S.B. 18, died in Senate committee, would have amended Title 30, Arizona Revised Statutes, by adding Chapter 4, providing for the development and regulation of activities pertaining to the peaceful uses of atomic energy and the appointment of a coordinator of atomic development activities.

Power and Electrical Districts - Taxation - H.C.R. 18 and H.C.R. 25, died in House committee, proposed amendments to the Arizona Constitution to remove power and electrical districts from the status of political subdivisions and removing their exemption from taxation.

- H.B. 173, died in House committee, would have amended Section 45-271, Arizona Revised Statutes, relating to property subject to taxation and listing exceptions, to provide that property of power and electrical districts shall not be included in the term "municipal property" and shall be subject to taxation.

Expenditure of Public Funds - Prior Approval - S.B. 57, died in Senate committee, would have added Section 35-155, Arizona Revised Statutes, providing that expenditure of State monies by any agency, department, commission, etc. of the State is prohibited without prior approval by the legislature. (This bill was opposed by the electric cooperatives because of the belief that its provisions would hamper the operations of the Arizona Power Authority.)

Federal Reclamation Law - Power Preference - H. Mem. 5, died in House committee, would have memorialized the Congress to defeat H.R. 6997, which provides for the sale of the falling water of the Trinity River project to the Pacific Gas and Electric Company. The memorial stated that "H.R. 6997 is the entering wedge to break down and destroy established customer preference under reclamation laws."

Colorado River Compact - H.B. 50, died in House committee, would have repealed the ratification of the Colorado River Compact by the State of Arizona (Chapter 5, Laws 1944).

Colorado River Contract - H.B. 52, died in House committee, would have repealed the ratification of the Colorado River contract between the United States and the State of Arizona relating to the storage and delivery of water from Lake Meade (Chapter 4, Laws 1944).

Upper Colorado River Basin Compact - H.B. 51 and H.B. 292, died in House committee, would have repealed the ratification of the Upper Colorado River Basin Compact (Chapter 4, Laws 1949).

Electrification and Telephone

Failed

State Corporation Commission - H.C.R. 19, died in House committee, would have proposed an amendment to article 15, section 1 of the Arizona Constitution to provide for the appointment of the members of the corporation commission by the Governor instead of their election.

Public Utilities - Assessments - H.B. 245, died in House committee, would have amended Section 40-401, Arizona Revised Statutes to provide that the annual assessments against public service corporations (excepting those not required to hold certificates of convenience and necessity) by the corporation commission be credited to the utilities division of the commission.

Junk Dealers - Regulation - S.B. 176, died in Senate committee, and H.B. 116, died in House committee, would have added article 3.1 to title 44, chapter 11, Arizona Revised Statutes, providing for the regulation and registration of junk dealers.

Non-profit Corporations - Directors - H.B. 313, died in House committee, would have amended Section 10-451, Arizona Revised Statutes, to remove the limitation on the number of directors for non-profit corporations (present limitation is 25).

Telephone

Failed

Corporation Commission - Reports of Utilities - H.B. 268, died in House committee, would have amended Sections 40-250 and 40-251, Arizona Revised Statutes, by providing for the submission to the corporation commission of reports filed with the State tax commission for use in connection with hearings on establishment of rates and valuation of property.

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The special session of the legislature was called by Governor Ernest W. McFarland to consider legislation relating to schools, gas taxes, and welfare benefits. The special session was limited to consideration of subjects contained in the Governor's call.

1958 California Legislation - Final Report
 Session (Budget): February 3 to March 30, 1958
 First Special: March 4 to April 23, 1958
 Second Special: March 31 to April 24, 1958

(The regular session of the California legislature convening in the even numbered years is limited to consideration of budget and revenue acts, urgent measures, acts calling elections, constitutional amendments, and city and county charters. Special session are limited to consideration of subjects listed in the Governor's call. The proclamation calling the first special session listed 28 subjects for consideration, none of which related to the REA programs. The second special session was called to act upon the annual Budget bill and related revenue acts.)

Legislative Program

Electrification and Telephone

REA borrowers did not undertake a legislative program.

Legislation Considered

Electrification

Failed

Trinity River Project - Power Facilities - A.J.R. 4 (Budget Session), and A.J.R. 6 (First Special Session), died in Assembly, would have memorialized the Congress to reject the recommendation of the Secretary of the Interior to permit the Pacific Gas and Electric Company to construct and operate the power facilities of the Trinity River project.

Publicly Owned Utilities - Tax Payments - A.B. 96 (First Special Session), died in Assembly, would have added Chap. 10.5 to Division 3 of the Education Code to provide that publicly owned utilities shall make payments equal to the aggregate annual taxes that would be payable by it to any school district in which its property is located if such property were taxable.

Northern California Water District - S.B. 64 (First Special Session), died in Senate, and A.B. 29 (Second Special Session), died in Assembly, would have created the Northern California Water District to control, conserve, store, and distribute water for its use within and without its boundaries and to generate, use and distribute hydroelectric power.

1958 Colorado Legislation - Final Report
Session: January 1 to February 16, 1958
First Special: June 16 to June 22, 1958

(The regular session of the Colorado legislature convening in even numbered years is limited to consideration of appropriation and revenue raising measures and subjects designated by the Governor during the first ten days of the session.)

Legislative Program

Electrification and Telephone

REA borrowers did not undertake a legislative program.

Legislation Considered

No legislation of interest to REA electrification or telephone borrowers was noted.

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The special session of the legislature was called by Governor Stephen L. R. McNichols to consider legislation relating to unemployment compensation and control of grasshoppers. The special session was limited to consideration of subjects contained in the Governor's call.

1958 Connecticut Legislation - Final Report
Special Session: March 4 to April 18, 1958

Governor Abraham A. Ribicoff called the legislature into special session to consider unemployment compensation legislation. During a special session the legislature may take up any subject which may be considered at a regular session.

No legislation of interest to the REA electrification or telephone programs was noted.

1957-58 Delaware Legislation - Interim Report
Session: January 1, 1957 to
(Legislature recessed June 16, 1958, subject to recall
by the presiding officers of each house)

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers in Delaware.

Legislation Considered

Electrification

Enacted

Electrical Examiners - S.B. 159, approved July 22, 1957, Chap. 266, creates State Board of Electrical Examiners, provides for regulation of electricians, establishment of standards for electrical installations and for inspection thereof.

Failed

Electrical Examinders - H.B. 475, introduced January 20, 1958, would have repealed Chap. 266. The bill passed the House on January 23, 1958, the Senate on January 29, 1958; and was vetoed by the Governor on March 3, 1958.

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - S.B. 243, approved June 13, 1957, amends Section 132, Title 17, Delaware Code, by adding provisions authorizing the State Highway Department to reimburse public utilities for the cost of relocating facilities required by Federal-aid highway construction (S.B. 112, similar to S.B. 243, died in Senate).

Failed

Public Service Commission - S.B. 314, tabled in Senate June 17, 1957, amends Chapter 1, Title 26, Delaware Code, relating to the powers and duties of the Public Service Commission.

1958 Georgia Legislation - Final Report
Session: January 13 to February 21, 1958

(The General Assembly of Georgia meets in two annual sessions. The first session convenes in the odd-numbered years. Legislation introduced in the first session and not finally disposed of may be considered during the second session which meets in the even-numbered years. This report includes final disposition of bills introduced in 1957 and 1958.)

Legislative Program

Electrification

The Georgia Electric Membership Corporation sponsored the introduction of a bill (see H.B. 721) amending the Electric Membership Corporation Act to permit continuation of service by electric co-operatives in areas annexed to municipalities. A draft of this bill was prepared by the Office of the General Counsel at the request of the Georgia Electric Membership Corporation. Consideration was also given to sponsorship of legislation prohibiting interference with cooperative consumers in annexed areas and banning "tie-in" sales of other municipal utility services. It was decided that no action would be taken on these subjects at this session.

Legislation Considered

Electrification

Enacted - Local Legislation

Electricians Licensing (Clayton County) - H.B. 765, approved March 25, 1958, Chap. 311, provides for the examination of qualified electricians for the right to engage in electrical work in counties having a population of not less than 22,650 nor more than 23,450 (Clayton County).

Plumbing Installations (Clayton County) - H.B. 766, approved March 25, 1958, Chap. 333, provides that the governing authorities of certain counties may charge for inspection, require permits, set up a code and provide rules and regulations for the installation of plumbing in said counties.

Electric Distribution System - City of Albany - H.B. 947, approved March 17, 1958, Chap. 127, amends charter for the City of Albany to authorize extension of its electrical distribution system beyond its corporate limits.

Condemnation Power - City of Albany - H.B. 948, approved March 17, 1958, Chap. 126, amends charter for the City of Albany to enlarge its powers of eminent domain to authorize the condemnation of certain public utility property.

Utility Franchises - City of Albany - H.B. 952, approved March 17, 1958, Chap. 105, amends charter for the City of Albany to authorize the city to terminate or revoke certain franchises, licenses, or privileges of public utility corporations.

Failed

Electric Membership Corporation Act - "Rural Area" - H.B. 721, died in House, would have amended the definition of "rural area" as contained in Section 2, Subsec. 8, of the Electric Membership Corporation Act (Sec. 34A-102(8) Code of Georgia, Ann.) to permit continuation of service by electric membership corporations in areas which are annexed to municipalities.

Condemnation Power - Power Companies - H.B. 1178, died in House, would have amended act relating to the right of condemnation by power companies or individuals by providing that such right may not be exercised without the express approval of the Georgia Public Service Commission.

Electrification and Telephone

Failed

Utility Relocation - Reimbursement - S.B. 177, passed Senate, died in House, and H.B. 611, died in House, would have provided reimbursement for relocation of utility facilities when necessitated by projects on the national system of interstate and defense highways.

1958 Illinois Legislation - Final Report
Special Session: June 16 to June 20, 1958

Governor William G. Stratton called the legislature into special session to consider legislation relating to unemployment compensation and public assistance. The special session was limited to consideration of subjects contained in the Governor's call.

No legislation of interest to the REA electrification or telephone programs was noted.

1958 Kansas Legislation - Final Report
Session (Budget): January 14 to February 12, 1958
First Special: April 21 to May 9, 1958

(The regular session of the Kansas Legislature convening in even numbered years is restricted to consideration of the budget report, appropriation bills for succeeding years and revenue bills. Governor George Docking called the legislature into special session to consider legislation relating to revenue and welfare matters. Special sessions of the legislature may consider any subject matter which may be brought up at a regular session.)

Legislative Program

Electrification and Telephone

REA borrowers did not undertake a legislative program.

Legislation Considered

No legislation of interest to the REA electrification or telephone programs was noted.

1958 Kentucky Legislation - Final Report
Session: January 6 to March 21, 1958

Legislative Program

Electrification and Telephone

REA borrowers supported an unclaimed property law designed to retain for cooperatives unclaimed dividends, refunds, or other equities (see H.B. 67).

Legislation Considered

Electrification

Enacted

Atomic Energy - Development - S.B. 166, approved April 1, 1958, declares a policy of State cooperation in the civilian atomic energy program and of State regulation conforming to the provisions of the Federal Atomic Energy Act of 1954. The act authorizes the Governor to appoint an Advisory Committee on Nuclear Energy to advise him on coordination of atomic energy developments within the Commonwealth. Various State departments, commissions and agencies are directed to undertake studies on the need for laws and regulations dealing with nuclear operations. A Division of Nuclear Information is created within the Department of Economic Development to implement, coordinate, and direct the various studies in this field.

Municipalities - Public Utility Facilities - H.B. 550, approved March 28, 1958, provides that a municipality in which an existing electric, water, or gas public utility plant exists shall not construct or acquire any similar plant except by purchase or acquisition by exercise of power of eminent domain of the existing plant.

Failed

Municipal Utilities - Rates - H.B. 296, died in House, would have amended Section 278.170, KRS, relating to rates of public utilities to provide that a municipal utility may set different rates for services rendered within the city and services rendered outside of the city. The bill would have permitted the rates for services outside of the city to be as much as fifty percent higher than rates for comparable service within the city.

Electrical Licensing and Inspection - Cities and Counties - H.B. 644, died in House, would have authorized cities of the first or second class and counties containing such cities to provide for the inspection of all electrical wiring and installations within their areas and the licensing of all electrical contractors and electricians performing services within their areas. The bill authorized the establishment of an electrical examining board, appointment of electrical inspectors, and the adoption of electrical wiring standards.

Municipalities - Adoption of Codes - H.B. 314, died in House, would have added a new section to Chap. 82, KRS, authorizing the legislative body of any city to adopt electrical, building, plumbing, etc. codes by reference.

Electrification and Telephone

Enacted

Cooperative Distributions - Unclaimed Property - H.B. 67, approved March 3, 1958, authorizes cooperatives organized under Kentucky Law (including electric and telephone cooperatives) to retain, after a period of five years, any unclaimed stocks, dividends, patronage refunds, or book equities for which the owner cannot be found.

Uniform Commercial Code - S.B. 169, approved March 28, 1958, effective July 1, 1960, enacts the 1957 Official draft of the Uniform Commercial Code. The purpose of this codification is to (a) simplify, clarify, and modernize the law governing commercial transactions; (b) permit the continued expansion of commercial practices through custom, usage, and agreement of parties; and (c) make uniform the law among the various jurisdictions.

(NOTE: Pennsylvania adopted an earlier version of the Uniform Commercial Code in 1953; Massachusetts adopted the 1957 draft at the 1957 session of the legislature.)

Failed

Electric and Telephone Cooperatives - Trustees Terms - S.B. 282, died in Senate, would have amended Sec. 279.380, KRS relating to the directors of rural electric and telephone cooperatives to provide that trustees may be elected for three year staggered terms. (Present law provides for election of trustees annually or for two year staggered terms.)

Public Utility Rates - H.B. 69, died in House, would have amended Sec. 278.190 KRS, relating to rates of public utilities by providing that any refund of rates ordered by the Public Service Commission include interest at the rate of six percent.

- H.B. 496, died in House, is the same as H. B. 69, above, except for the addition of new section which would have provided that interest on refunds shall not be considered an element of value for rate-making purposes.

Public Service Commission - H.B. 128, died in House, would have amended Chapter 278, KRS, to increase from 3 to 5 the number of members of the Public Service Commission; required that not more than three (presently two) members be of the same political party; permitted the performance of designated investigations by any commissioner or any three (presently two) commissioners; and provided for payment of commissioners salaries.

- H.B. 542, died in House, would have amended Sec. 278.040, KRS, relating to the jurisdiction of the Public Service Commission so as to exclude utilities owned by a city without regard to whether they serve consumers within or beyond city limits or whether the same or different rates are charged for such service.

- Assessment Against Utilities - H.B. 575, died in House, would have amended Sec. 278.130, KRS, to raise from \$250,000 to \$350,000, the amount that may be assessed against public utilities by the Public Service Commission.

Telephone

Failed

Telephone Rates - H.B. 45, died in House, would have amended Sec. 278.170, KRS relating to rates and services of public utilities by providing that rates for intrastate telephone service shall not exceed by more than ten percent the rates for interstate service for like and contemporaneous service under the same or substantially the same conditions.

- H.B. 495, died in House, would have amended Sec. 278.170, KRS relating to rates and services of public utilities by providing that rates for intrastate telephone service shall not exceed the rates for interstate service for like and contemporaneous service under the same or substantially the same conditions.

1958 Louisiana Legislation - Final Report
Session: May 12 to July 10, 1958

Legislative Program

Electrification and Telephone

REA borrowers did not undertake a legislative program.

Legislation Considered

Electrification

Failed

Power Lines - Accident Prevention - H.B. 1186, died in House, would have established safety measures for mobile and crawler type cranes and booms that are over certain lengths in order to protect operating personnel from electrical shock. (H.B. 921, for which H.B. 1186 was substituted, provided for certain safety specifications in operation of cranes and booms and also for penalties for their violation.)

- Poles - Warning Signs - S.B. 183, died in Senate, would have required all public utilities owning poles carrying high powered electrical lines to designate such poles with warning signals indicating "Danger-High Voltage".

Utilities - Service Insurance - H.B. 553, died in House, would have required public utilities supplying electric or gas to carry insurance covering liability for damages to customers caused by temporary failures to supply such service.

1958 Maine Legislation - Final Report
Second Special Session: January 13 to 16, 1958
Third Special Session: May 6 to 8, 1958

Governor Edmund S. Muskie called the second special session of the legislature to consider legislation relating to education and the third special was called to consider unemployment compensation. During a special session the legislature may take up any subject which may be considered at a regular session.

(Note: The first special session of the legislature met October 28 to 31, 1957, to consider legislation relating to bond issues for industrial development.)

Legislation Considered

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - S.B. 657 (Second Special) approved January 16, 1958, Chap. 441, amends the definition of "utility" contained in Sec. 1, Chap. 378, Laws of 1957, relating to reimbursement of utilities for cost of relocating facilities, to include any municipality or quasi-municipal body operating a utility service.

- H.B. 1143 (Second Special) approved January 16, 1958, amends Sec. 2 and Sec. 3, Chap. 378, Laws of 1957, to increase from \$12,500 to \$43,000 the amount appropriated to carry out the provisions of Chap. 378.

1958 Maryland Legislation - Final Report
Session: February 5 to March 5 (11), 1958
First Special Session: March 13, 1958
Second Special Session: June 13, 1958

(The regular session of the Maryland legislature convening in even numbered years is limited to consideration of budget, revenue, and financial matters of State government, emergency measures, and legislation in the general public welfare.)

Legislative Program

Electrification and Telephone

REA borrowers supported the Potomac River development legislation (see S.J. Res. 7).

Legislation Considered

Electrification

Enacted

Potomac River Development - S.J. Res. 7, adopted by the legislature, urges the Congress of the United States to request the Corps of Engineers to complete their plans for development of the Potomac River in the Washington Metropolitan Area.

Electrification and Telephone

Enacted

Public Service Companies - Filing Fees - S.B. 130, approved April 4, 1958, Chap. 61, adds Sec. 88(d) to Article 78, Ann. Code of Md., imposing an annual filing fee upon every public service company within the regulatory jurisdiction of the Public Service Commission. The fee equal to one-twentieth of one percent of the company's annual gross receipts for the preceding year is payable on or before April 1.

Failed

Unclaimed Property Act - S.B. 119, died in Senate, would have enacted the Uniform Disposition of Unclaimed Property Act which includes provisions for escheat of unclaimed utility deposits and refunds and unclaimed cooperative dividends and distributions.

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The first special session of the legislature was called to reenact the revenue and appropriation measures passed at the regular budget session, which had remained in session some days beyond its constitutional limit. The second special session was called to consider legislation extending unemployment compensation benefits.

1958 Massachusetts Legislation - Interim Report
Session: January 1, 1958 to

(The 1958 session of the legislature was still in session on July 8, 1958, the date on which this report was prepared.)

Legislative Program

Electrification

No REA borrowers.

Telephone

No legislative program undertaken by REA borrower.

Legislation Considered

Electrification

Enacted

Operation of Power Equipment near Transmission Lines - S. 632, approved April 3, 1958, Res. Chap. 50, authorizes the department of public utilities to make an investigation and study relative to the subject of safety regulations and requirements in the operation of power equipment such as cranes, bulldozers, and shovels, in the vicinity of existing overhead transmission lines. A report and drafts of legislation to carry out recommendations are to be filed not later than the fourth Wednesday of January 1959. (H. 82, for which S. 632 was substituted, would have directed the Legislative Research Council to carry out the investigation.)

Atomic Energy - Study - H. 2697, approved April 21, 1958, Res. Chap. 67, revives, continues, and increases the power and scope of the special commission established to make an investigation and study relative to the establishment of an atomic energy industrial research center.

- H. 2730, approved May 12, 1958, Res. Chap. 78, increases the scope of the above commission to consider holding a world atomic and scientific exposition in Boston and a study relating to the present and future atomic defenses of the commonwealth.

Failed

Atomic Energy Reactors - H. 2073, substituted by H. 2697, would have established the Massachusetts Atomic Energy Authority and provided for the erection of atomic energy reactors throughout the Commonwealth to supply electric power for industrial and domestic purposes.

Utility Rates - Notification of Change - S. 443, withdrawn from Senate, would have amended Sec. 94, Chap. 164, General Laws, to require gas and electric companies to notify each customer in advance of filing schedules of changes in rates, prices, and charges.

Electrical Work - Supervision - H. 1434, referred to next annual session, would have added Chap. 142A to the General Laws, to provide for supervision of outside electrical workers, linemen, cable splicers, operators, metermen, and station electricians.

Electrical Installations - H. 2084, referred to next annual session, would have amended Sec. 1, Chap. 141, General Laws, to permit owners of property to perform electrical work.

- H. 2083, referred to next annual session, would have amended Sec. 3L, Chap. 143, General Laws, to require that persons performing electrical work must give notice of such work to electrical inspectors within five days.

- H. 1044, referred to next annual session, would have amended Sec. 32, Chap. 166, General Laws, to provide that applicants for permits to install electrical wiring or fixtures shall be furnished a copy of the local rules and regulations.

Electrification and Telephone

Enacted

Electric and Telephone Wires - Cutting - S.B. 445, approved February 28, 1958, Chap. 130, amends Sec. 39, Chap. 166, General Laws, to increase the time for giving notice to telephone, telegraph, and electric companies relative to the cutting, disconnection, or removal of wires. As amended any person desiring removal of wires must file a written statement at the office of the company concerned giving seven days notice (formerly twenty-four hours) and in the absence of an office must give ten days (formerly three days) notice by mail.

Relocation of Utility Facilities - C.C.H. Senate Bill 1, adopted June 10, 1958, directs the Legislative Research Council to study S. 444, providing that owners of utility facilities shall not be reimbursed for the relocation of such facilities when made necessary by certain highway projects. The report of the Council is to be filed with the Clerk of the Senate not later than the last Wednesday in January 1959.

Failed

Public Utilities - Advertising - H. 1416, referred to next annual session, would have added Sec. 13 to Chap. 25, General Laws to prohibit any form of advertising by any public utility which enjoys a monopoly within the Commonwealth.

- Reduced Rates - H. 738, referred to next annual session, would have added Sec. 4B to Chap. 25, General Laws to authorize public utility companies to establish special reduced rates which shall be applicable only to the employees of such company.

Utility Lines - Underground - H. 2291, referred to next annual session, would have amended Sec. 21, Chap. 166, General Laws to require utility companies to place transmission lines underground.

- Tree Cutting - H. 78, referred to next annual session, would have added Sec. 5A to Chap. 87, General Laws, to provide for appeal from the refusal of the tree warden to grant a permit for the trimming or removal of a tree interfering with utility lines.

Department of Public Utilities - Hearings - S. 491 (for which H. 2583, providing for the creation of a consumer's council, was substituted), would have authorized and directed the office of the attorney general to represent the public at all hearings on petitions by public utilities before the department of public utilities.

Telephone

Failed

Telephone Rates - Investigation - H. 1415, referred to next annual session, would have provided for the appointment of a special commission to investigate and study telephone rates in the Commonwealth.

Telephone Directories - H. 1717, withdrawn from House, would have added Sec. 15D to Chap. 166, General Laws, providing that persons or companies publishing a telephone directory shall advise a subscriber by letter, before publication, acknowledging his subscription and advising as to the content and cost.

- H. 1718, withdrawn from House, would have authorized the department of public utilities to set the rates for advertisements in telephone directories.

1958 Michigan Legislation - Final Report
Session: January 8 to June 14, 1958
First Special: June 19, 1958

Legislative Program

Electrification and Telephone

REA borrowers did not undertake a legislative program.

Legislation Considered

Electrification

Failed

Atomic Energy - Control - H.B. 303, died in Senate, would have created the office of director of atomic energy activities, established a radiation safety standards board, and provided for health and safety rules and the regulation of atomic energy activities.

Electrification and Telephone

Failed

Pole Carriers - S.B. 1091, died in House, would have amended Sec. 257.719, Compiled Laws 1948, to permit pole carriers used in the transportation of wooden, metal, or fiberglass poles to exceed the 55 foot limitation when complying with the regulations of the State highway department. (This bill is the same as S.B. 1068, which failed to pass at the 1957 session of the legislature.)

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Governor G. Mennen Williams called the legislature into special session to consider legislation making appropriations for State agencies. The legislature is limited to consideration of subjects listed in the Governor's call.

1958 Minnesota Legislation - Final Report
Special Session: June 23 to June 26, 1958

Governor Orville Freeman called the legislature into special session to consider legislation relating to unemployment compensation, school financing, and veterans bonuses. The legislature may consider any subject at a special session that can be considered at regular sessions.

No legislation of interest to the REA electrification or telephone programs was noted.

1958 Mississippi Legislation - Final Report
Session: January 7 to May 10, 1958

Legislative Program

Electrification

The Mississippi Rural Electric Association sponsored bills on the following subjects:

- (a) Prevention of accidents resulting from contact with power lines (see H.B. 128);
- (b) Providing for change of venue in civil actions (see H.B. 498);
- (c) Providing for reimbursement of cost of relocating utility facilities as a result of construction of state-aid roads (see H.B. 733);
- (d) Amending Sec. 1454, Miss. Code of 1942, regarding comparative negligence (see H.B. 499).

Legislation Considered

Electrification

Enacted

Sales Tax Amendments - H.B. 55, approved April 29, 1958, amends and revises various provisions of the Mississippi Sales Tax act, Secs. 10104 et. seq., Miss. Code of 1942. Sec. 7 amends Sec. 10109, Miss. Code of 1942, which levies a 3 percent tax on sales of public utilities by providing that an industrial rate of 1 percent shall apply "when electricity, current, or power is sold to a producer or processor for use in the commercial production or processing of milk and milk products, livestock, poultry, or poultry and livestock feed, eggs, or other products of farm grove or garden, and for irrigation for farm purposes." The industrial rate shall apply "only when the use is directly in manufacturing, processing, producing, or irrigating, and not when the use is for other purposes." Sec. 11 amends Sec. 10116, Miss. Code of 1942, listing exemptions from the provisions of the act, by revising subsection (d) (2) as follows: "Sales of property taxable under Section 2-c or services taxable under Section 2-d and 2-f to rural electrical associations or electric cooperatives when such property or services are for use in the construction, maintenance, and operation of their generating or distribution systems." Section 14 amends Section 9700, Miss. Code of 1942, relating to tax exemption of nonprofit cooperative electric power associations, by providing that such exemption shall not apply to sales taxes. (H.B. 17, died in House, would have amended Section 9700, Miss. Code of 1942, as described in Sec. 14 above. This legislation was opposed by the Mississippi Rural Electric Association.)

Municipal Electric Power Systems - Gasoline Tax Refund - H.B. 656, approved April 30, 1958, amends Section 10014-01, Miss. Code of 1942, to provide that gasoline tax refund may be allowed for "motor vehicles used by a municipal electric power department in installing, maintaining, and servicing municipal electric power systems" even when such vehicles are used 10 miles beyond the borders of such municipality.

Failed

Power Lines - Accident Prevention - H.B. 128, died in House, would have required that precautions be taken in proximity of high voltage overhead lines in order to prevent accidents. The bill would have made it unlawful for any person, except under certain conditions, to perform any work or require others to do so within six feet of high voltage overhead lines. (This bill was sponsored by the Mississippi Rural Electric Association. It is the same as H. B. 850, which failed to pass at the 1956 session of the legislature.)

Utility Service Districts - H.B. 4, died in House, would have provided for the incorporation of special service districts to furnish utility services to the inhabitants thereof including electric service.

Power Use Tax - H.B. 212, died in House, would have imposed a tax on the use of power, provided for the determination of rates and the administration of its provisions. (This bill is the same as H.B. 138 which failed to pass at the 1956 session of the legislature and H.B. 994 which failed to pass at the 1954 session.)

Taxation - Utility Services - H.B. 887, died in House, would have amended Mississippi Sales Tax act to tax electric power, gas, and water sales of municipalities and sales of rural electric cooperatives.

- H.B. 1181, died in House, would have diverted to cities sales tax revenues derived from sales of rural electric cooperatives and city gas, light, and water plants.

Atomic Energy - Insurance - H.B. 1087, died in House, would have provided for the regulation of insurance rates for nuclear facilities in the State.

Electric Rates - Investigation - S. Res. 6, died in Senate, would have created a 5-member Senate committee to investigate charges made by J. D. Stietenroth concerning electric rates in Mississippi.

Electrification and TelephoneFailed

Venue of Civil Actions - H.B. 498, died in House, would have amended Sec. 1434, Miss. Code of 1942, relating to the venue of civil actions against certain corporations to include "electric power corporation or association" and providing that such actions shall be brought "in the county in which said corporation or association is domiciled or in the county where the cause of action may occur or accrue." (This bill was sponsored by the Mississippi Rural Electric Association. It is the same as H.B. 841, which failed to pass the 1956 session of the legislature, and H.B. 560 which failed at the 1954 session.)

Contributory Negligence - H.B. 499, died in House, would have amended Sec. 1454, Miss. Code of 1942, to provide that contributory negligence shall not be a bar to recovery where the negligence of the plaintiff or cross-plaintiff is not as great as the negligence of the defendant or cross-defendant.

Utility Relocation - Reimbursement - H.B. 733, died in House, would have provided for reimbursement of the cost of relocating utility facilities necessitated by the construction, reconstruction, or maintenance of State-aid roads. (This legislation was endorsed by the Mississippi Rural Electric Association.)

- H.B. 491, died in House, would have provided for the reimbursement of cost of relocating utility facilities made necessary by construction of Federal-aid highway projects in the Interstate Highway System.

Highway Right-of-Way - Utility Tax - H.B. 1067, died in House, would have taxed public utilities for use of highway right-of-way.

Public Service Commission - Rates - H.B. 431, died in House, would have amended Sec. 20, Chap. 372, Laws of 1956, to give the Public Service Commission additional powers and duties and require public utilities to fix or offer rates for service to industry and manufacturers in Mississippi which are comparable to rates offered such industries by public utilities in adjoining States.

- H.B. 309, died in House, would have amended Section 10, Chap. 372, Laws of 1956, to increase the length of time, from six months to one year, during which the Public Service Commission may suspend proposed changes in utility rates.

- Tax Collection - H.B. 12, died in House, would have amended Section 36, Chap. 372, Laws of 1956, to take the assessment and collection of the tax for the support of the Public Service Commission out of the State Tax Commission and place the function in the Public Service Commission.

Junk Dealers - Regulation - S.B. 1884, died in House, would have provided for the regulation of purchases by junk dealers and required the filing of reports.

Corporations - Election of Officers - H.C. Res. 102, died in House, would have amended Section 194 of the Constitution of Mississippi, to provide that the legislature may prescribe the manner in which officers and directors of corporations shall be elected.

Telephone

Enacted

Tax Exemption - Telephone Equipment Plants - H.B. 713, approved April 2, 1958, amends Sec. 9703, Miss. Code of 1942, to add to the list of exempt industries new plants manufacturing, processing, or assembling telephone instruments, telecommunication equipment, parts thereof, and equipment of every kind used in connection therewith.

Rural Telephone Line - Rankin County - H.B. 786, approved April 29, 1958, authorizes the supervisors of district No. 2 and district No. 5 of Rankin County to assist in construction of rural telephone lines in these districts through the use of maintenance equipment and labor for the clearing of right of way and construction of telephone lines. The supervisors are authorized to expend money from the road maintenance fund for this purpose.

Failed

Independent Telephone Companies - Taxation - S.B. 2003, vetoed May 6, 1958, would have provided for the method of assessing and taxing the property of independent telephone companies located in not more than five counties. (This legislation was sponsored by the Mississippi Independent Telephone Association. Under present law telephone companies operating within one county are assessed and taxed by local taxing authorities. Companies operating in more than one county are assessed by the State Tax Commission. This bill would have permitted telephone companies operating in not more than five counties to remain subject to local taxing authorities.)

Telephone Service - H.B. 1095, died in House, would have required telephone companies to furnish reasonably adequate service at all times to persons applying in areas served by such companies.

1958 Missouri Legislation - Final Report
Special Session: February 3 to April 4, 1958

Governor James T. Blair called the Missouri legislature into special session to consider various appropriation matters. The legislature may only consider subjects listed in the Governor's call plus any additional items submitted.

No legislation of interest to the REA electrification or telephone programs was noted.

1958 New Hampshire Legislation - Final Report
Special Session: February 11 to 19, 1958

Governor Lane Dwinnell called the legislature into special session to consider legislation relating to an electric and gas utilities franchise tax. The legislature may consider any subject at a special session that can be considered at a regular session.

Legislation Considered

Electrification

Enacted

Utilities Franchise Tax - H.B. 1-X, approved February 19, 1958, Chap. 5, adds Chap. 83A, Revised Statutes Ann. to impose, for two years, a tax on electric and gas utilities. The tax is assessed at the rate of 4 percent on the income of the utility derived from the exercise of its franchise. The act also establishes a special commission of five members to study utility taxation and make recommendations to the next session of the legislature by January 15, 1959.

1958 New Jersey Legislation - Interim Report
Session: January 14 to
(Legislature recessed from June 16 to November 10, 1958)

Legislative Program

Electrification and Telephone

No legislative program was undertaken by REA borrowers.

Legislation Considered

Electrification

Pending

Electric Lines - Placement Underground - S.B. 152, pending in Senate Committee on Business Affairs, provides that all future construction of wires used to conduct electricity for light, heat, and power shall be in underground pipes or conduits. The Board of Public Utility Commissioners would be empowered to order wires heretofore installed to be placed underground whenever the Board shall find that public safety, health, and general welfare require such action.

Electrification and Telephone

Pending

Public Utility - Labor Disputes - S.B. 72 and A.B. 43, pending in Committee, would repeal Chap. 38, Laws 1946, as amended, concerning labor disputes in public utilities and providing for compulsory arbitration.

Public Utilities Board - A.B. 117, pending in Assembly Committee on State, County, and Municipal Government, amends Sec. 48:2-1, Revised Statutes, relating to the Board of Public Utilities, by increasing its membership from three to five members with at least one member specifically selected to represent labor interests and one member to represent consumer interests.

- Fees - A.B. 258, passed Assembly March 17, 1958, pending in Senate Committee, amends Sec. 48:2, Revised Statutes, to increase the schedule of fees charged by the Board and applicable to all public utility companies.

1958 New York Legislation - Final Report
Session: January 8 to March 26, 1958

Governor's Message

The following excerpts are from the January 8, 1958, message of Governor Averell Harriman to the New York Legislature:

"Atomic Energy

"New York leads all other States in the number of industries and consultants in the commercial atomic energy field. Our efforts to provide leadership and coordination for this activity have been carried on to date by an Inter-departmental Council on the Use of Nuclear Materials, appointed in 1955 on a non-statutory basis.

"It is high time that the position of this Council be regularized and made permanent by law. Our expert Advisory Council on Atomic Energy has unanimously recommended such legislation, and this type of State legislation has also been urged by the Joint Congressional Committee on Atomic Energy, a special Governor's Conference meeting on the subject, and representatives of labor and industry. The U.S. Atomic Energy Commission is establishing a new division which will work exclusively with the States in the development and regulation of atomic energy and its representatives have informally indicated that a central and permanent agency, such as is proposed under the Atomic Energy Control bill I have recommended, would provide the most effective contact agency. The proposed bill will serve to bring together State agencies and the communities of the State so that a uniform approach to atomic energy problems can be assured, and will establish the initial procedures to be followed by communities in matters pertaining to radiation, safety and hazards. For the third time I recommend enactment of legislation in this area. It is my understanding that this year there is hope of bipartisan sponsorship of a bill recommended by our Advisory Council on Atomic Energy. I welcome such endorsement."

"Telephone Rate Bill

"Last year and the year before I strongly urged your Honorable Bodies to protect the great body of telephone consumers in this State from unwarranted rate increases by the adoption of a bill proposed by the Public Service Commission. The bill would simply have put the telephone and railroad companies on the same basis for rate making as other public utilities by permitting valuation of the company properties at cost instead of replacement value. The legislation was needed to offset the unanticipated effect of a 1911 law as interpreted by a Court of Appeals decision in February 1956.

"In both years, the bill passed the Assembly but action was blocked by the refusal of the Senate Finance Committee to report the bill out on the floor for a vote.

"Last October the Public Service Commission granted to the New York Telephone Company a rate increase totalling \$33 million annually. Upon the record made in that case, the Commission found it could not fix a replacement value for the company's properties, but it did allow a higher rate of return than had been previously allowed.

"This does not mean that the threat of further increases is removed, since the New York Telephone Company can come back with requests for still higher rates based on the inflated replacement value.

"The Public Service Commission once again is urging passage of the legislation previously recommended and I vigorously support this recommendation."

"St. Lawrence and Niagara Power

"During the past year, the Power Authority has continued its rapid construction on the St. Lawrence. The first electricity will be produced in September--one year ahead of the original plan. A long-cherished dream will be realized.

"The power has all been marketed to various industries, to municipally owned plants, rural electric cooperatives, to the State of Vermont, and to the air base at Plattsburgh, as well as to private utilities which will pass on to rural and domestic consumers the benefits of cheap electricity. The North Country is already emerging as an expanding and dynamic area of the State.

"Last August Congress finally passed legislation directing the Federal Power Commission to issue a license to the Power Authority for the construction of the Niagara Project. Since, there have been unfortunate delays.

"Certain local officials on the Niagara Frontier have demanded that the Authority construct tunnels instead of cut and cover waterways and that the reservoir at Lewistown be reduced in size. Hearings have been held in Washington and in Buffalo and the Authority is now awaiting the decision of the Federal Power Commission.

"Meanwhile, a power emergency exists on the Frontier, because of the Schoellkopf Plant disaster, and we are dependent on Canadian power, which is subject to withdrawal. I have therefore taken the position that this project should not be delayed. With the cooperation of your leaders, advances to the Authority have been made by the State to keep the engineering and other preliminary

work under way. The Authority has taken bids on critical equipment such as turbines, generators, and transformers, and although precious time has been lost, every effort is being made to hold the delays to a minimum."

Legislative Program

Electrification and Telephone

REA borrowers did not undertake a legislative program.

Legislation Considered

Electrification

Failed

Atomic Energy - Regulation and Development - S. 1368, vetoed April 23, 1958, and A. 1691 and A. 1765, died in Assembly, would have added Article 29-A to General Business Law to establish a 15 member temporary commission on atomic energy to cooperate with the United States and other States in the coordination of development and regulatory activities for industrial and commercial uses of atomic energy. The Governor, President of the Senate and Speaker of the House would have appointed 5 members each to the temporary commission.

- S. 1186 and S. 3539, died in Senate, A. 1480 and A. 4090, died in Assembly, would have added Article 6 to Commerce Law, to establish in the Commerce Department a council to coordinate development and regulatory activities relating to industrial and commercial uses of atomic energy. The council was to be appointed by the Governor and to consist of the commissioners of health, commerce, and the industrial commissioner, and not more than two other persons, one to be a member of the public service commission.

Electrical Generators - Interconnection - A. 3819, vetoed April 12, 1958, and S. 3419, died in Senate, would have added Sec. 1902 to the Penal Law, to prohibit connection of an electric generator to an electrical system, circuit or equipment of any kind until written notice is given to municipality or electric corporation which provides regular supply of electricity to location. It would have also required that every stand-by generator be equipped with a double throw switch designed to prevent back feeding into an electric system.

Electrical Inspection - Municipal Regulation - A. 3653, vetoed April 23, 1958, and S. 3086, substituted by A. 3653, would have added Sec. 137-c, General Municipal Law, to authorize municipal governing board which has electrical code or ordinance regulating manner of construction, alteration, removal and inspection of electrical facilities, to provide that such work must be done so as to be reasonably safe to persons and property and that equipment and appliances used or installed shall meet same requirements. The code may provide that compliance with national electrical code shall be prima facie evidence of safety.

Electrification and Telephone

Failed

Utility Relocation - Reimbursement - S. 2451, vetoed April 7, 1958, S. 2321, died in Senate, and A. 2897, died in Assembly, would have provided for reimbursement of public utilities for relocation of facilities occasioned by Federal-aid highway construction.

Public Service Commission - Study - A. 547, died in Assembly, would have provided for the appointment of a temporary legislative and executive commission to study and revise the Public Service Law and procedures of the Public Service Commission.

- Rate Hearings - S. 813, died in Senate, and A. 46, died in Assembly, would have added Secs. 49-a and 66-b to Public Service Law to provide that Public Service Commission rate hearings be held in county or counties most affected thereby.

- Rate Changes - A. 2235, died in Assembly, would have amended Sec. 29, Public Service Law, to strike out provision permitting Public Service Commission to allow rate changes without 30 days notice and publication by filing and publishing order specifying change.

Public Utilities - Assessments - S. 3409, died in Senate and A. 4003, died in Assembly, would have amended Tax Law to permit municipal assessors to require public utilities to supply information concerning real property subject to local assessment in same form as prescribed by State tax commission.

Telephone

Failed

Telephone Rates - S. 524, S. 1189, and S. 1492, died in Senate, and A. 687, A. 1462, and A. 2124, died in Assembly, would have amended Public Service Law to provide that rates and charges for telephone and telegraph corporations shall be based on reasonable average return on capital actually expended, instead of value of property actually used in public service.

(NOTE: These bills would have carried out the recommendation of the Governor, see message excerpt above. They are similar to bills which failed at the 1956 and 1957 sessions of the legislature.)

Telephone - Metering - A. 331, died in Assembly, would have amended Public Service Law to require telephone corporations to install metering device on each telephone to indicate the number of outgoing calls and to charge for use of telephone for local calls on basis of number of such calls.

1958 Ohio Legislation - Final Report
Special Session: June 25 to June 28, 1958

Governor C. William O'Neill called the legislature into special session to consider legislation relating to unemployment compensation and public assistance. The legislature may consider subjects listed in the Governor's call plus any others which are submitted.

No legislation of interest to the REA electrification or telephone programs was noted.

1958 Rhode Island Legislation - Final Report
Session: January 7 to May 17, 1958

Legislative Program

Electrification and Telephone

No REA borrowers in Rhode Island.

Legislation Considered

Electrification

Enacted

Atomic Energy Commission - Construction of Nuclear Reactor - H.B. 1101, approved May 20, 1958, amends Sec. 42-27-2, General Laws, relating to the powers and duties of the atomic energy commission to authorize the commission to contract for the construction and operation of a nuclear reactor for the purpose of research experimentation, training personnel, and testing of materials and techniques.

- H.B. 1098, approved May 20, 1958, provides for submission to the electorate at the November 1958 general election a proposal to authorize the issuance of \$1,000,000 in State bonds to finance the construction of a nuclear reactor under the direction and supervision of the Rhode Island atomic energy commission.

Failed

Municipal Electric Systems - H.B. 1488, passed House, died in Senate, would have authorized any municipality in the State of Rhode Island to build or acquire an electric generating and distribution system for the use of any such municipality and its inhabitants.

Electrification and Telephone

Enacted

Utilities - Labor Disputes - H.B. 1022, approved May 19, 1958, creates a special commission to study the feasibility of establishing a method of investigation, mediation and arbitration of employment problems arising between employees and the State, municipalities, agencies, and utilities vested with a public interest.

Telephone

Enacted

Party Line Telephone - Emergency Use - H.B. 1130, approved May 13, 1958, amends Sec. 11-35-14, General Laws, relating to emergency use of party line telephones by providing for fine and imprisonment for failure to relinquish use of such party line when informed that it is needed for an emergency to call a fire or police department or for medical aid or ambulance service. Persons who secure use of party line by falsely stating it is needed for emergency are also subject to penalty. Sec. 11-35-15 provides that notice of the provisions of this law shall be printed in all telephone books distributed after June 1, 1958. (H.B. 1274, died in House, would have added emergency calls for doctors to the circumstances under which a party telephone line must be yielded.)

1958 South Carolina Legislation - Final Report
Session: January 14 to April 24, 1958

(The General Assembly of South Carolina meets in two annual sessions. The first session of the legislature convenes in the odd-numbered years. Legislation introduced in the first session and not finally disposed of may be considered during the second session which meets in the even-numbered years. This report includes legislation disposed of in 1958 which was carried as pending in the 1957 report.)

Legislative Program

Electrification

For a number of years the South Carolina Electric Co-operative has given consideration to the problems connected with continuance of cooperative service in non-rural areas. These problems have arisen where areas served by borrowers have been incorporated into municipalities or where the population of municipalities served by cooperatives exceeds 2,500. Legislation on this subject had been sponsored in previous sessions but failed of enactment. The State Association arranged for the drafting and introduction of a bill in the 1957 session which provided that cooperatives may continue to serve areas which lose their rural character and for the exchange of cooperative facilities for facilities of municipal or private utilities in rural areas. The legislation was pending in the House Committee when the 1957 session adjourned. Hearings were held on the bill by the House Committee during February and March 1958, but no further action was taken (see H. 1641).

Legislation Considered

Electrification

Enacted

Rural Electric Cooperatives, Electric Companies - Extension of Right of Condemnation - H. 2190, approved March 21, 1958, Act 908 amends Sec. 24-12, Code of South Carolina, 1952, granting electric companies condemnation power to acquire rights of way for line construction, by authorizing the use of such condemnation proceedings to acquire land for the construction of generating plants and appurtenant facilities and extending the use of such condemnation rights to rural electric cooperatives and State authorities.

Failed

Rural Electric Cooperative Act - Powers of Cooperative - H. 1641, died in the House Military, Public and Municipal Affairs Committee, would have amended item (1) of Sec. 12-1025, Code of South Carolina, 1952, relating to the powers of rural electric cooperatives, so as to allow such cooperatives to continue to exercise certain functions in areas which cease to be rural areas; to pay fixed sums in lieu of taxes and license fees to certain cities and towns; and to provide for the sale of certain electric facilities by rural electric cooperatives and by other suppliers of electric energy under special conditions. (This bill was sponsored by the South Carolina Electric Co-operative. It was introduced in the 1957 session. Hearings held in February and March 1958, were attended by representatives of the electric cooperatives and other interested parties. A vigorous campaign was carried on through the use of advertisements in newspapers, letters, etc. by the proponents and opponents of this legislation. The House Committee took no further action and the bill died with the adjournment of the legislature. See H. 2575, below.)

Investigation of Legislation Involving Rural Cooperatives, Municipalities and Private Power Companies - H. 2575, passed House, died in Senate, would have provided for the appointment of a 6-member committee comprising three members of the House and three members of the Senate "to study the over-all aspects of legislation involving rural cooperatives, municipalities, and private power companies."

South Carolina Public Service Authority - Rates and Services - H. 1983, died in House, would have provided that all rates and services of the South Carolina Public Service Authority be under the supervision and regulation of the Public Service Commission.

- Directors and Advisory Board - H. 1202, died in the House Judiciary Committee, would have amended Sec. 59-2, Code of South Carolina, 1952, relating to directors and advisory board of S.C. Public Service Authority, to provide that Advisory Board meet with the Board of Directors at least once every three months and give advice and recommendations and that no member of the General Assembly be eligible for appointment as General Manager or Director of the Authority.

- H. 1798, died in the House Judiciary Committee, was same as H. 1202, except for the addition of provisions changing the manner of appointment of the members of the board of directors.

Electric Power Rates - Investigation - S. 161, died in Senate Finance Committee, would have established a committee to investigate (a) rates charged by power companies and (b) operating expenses which are included as part of the rate base.

Radiation Control - S. 405, passed Senate May 23, 1957, died in House, provided for the control of radiation from machines and radioactive materials for the purpose of protecting health.

Public Service Commission - Contract Rates - S. 589, passed Senate, died in House, would have amended Sec. 58-115, Code of South Carolina, 1952, authorizing the Public Service Commission to suspend rate schedules so as to specifically authorize the Commission to approve or suspend contract rates.

Electrification and Telephone

Enacted

Nonprofit Corporations - Investigation - H. 1282, approved April 11, 1958, Act 1024, authorizes the attorney general to investigate the records of foreign and domestic nonprofit corporations operating within South Carolina.

1958 Virginia Legislation - Final Report
Session: January 8 to March 8, 1958

Legislative Program

Electrification

The Virginia Association of Electric Cooperatives sponsored legislation amending the Electric Cooperative Corporations Act to permit the board of directors of electric cooperatives to fix their compensation (see H.B. 373).

Telephone

REA borrowers did not undertake a legislative program.

Legislation Considered

Electrification

Enacted

Electric Cooperative Act - Directors Compensation - H.B. 373, approved March 29, 1958, Chap. 403, amends Sec. 56-222, Code of Virginia, to provide that the board of directors shall have authority to fix the compensation of directors. (The amendment replaced language permitting directors to be paid a per diem of not more than fifteen dollars for attending regular and special meetings and for reimbursement of expenses incurred in the performance of their duties.)

Brush Fires - Transmission Lines - H.B. 160, approved March 6, 1958, Chap. 186, adds Sec. 10-61.1 to the Code of Virginia making owners of electric transmission lines liable for cost of suppressing forest, brush, or grass fires resulting from negligent construction, maintenance, or operation of such lines.

Atomic Energy - Study - S.J. Res. 9, adopted March 5, 1958, directs the Virginia Advisory Legislative Council to continue its study of the development and utilization of atomic energy for peaceful purposes and to report by September 1, 1959.

- S.J. Res. 29, adopted March 7, 1958, directs the Virginia Advisory Legislative Council to continue its study of atomic energy development and the effect of widespread use of x-rays and other forms of radiation and to report by October 1, 1959.

Electrical Licenses - Local - H.B. 681, approved March 29, 1958, Chap. 522 adds Sec. 54-145.2 to Code of Virginia, so as to empower counties, cities, and towns to license certain contractors (including electrical) engaging in or offering to engage in such business in such counties, cities, and towns.

Failed

Electric Fences - H.B. 720, pocket vetoed by the Governor, would have made it unlawful to construct, install or maintain electric fences conducting current exceeding twelve volts or powered by any source of electricity other than a battery.

Electrification and Telephone

Enacted

Utility Relocation - Reimbursement - S.B. 228, approved March 29, 1958, Chap. 589 adds Sec. 33-36.1 et. seq. to Code of Virginia, establishing the Interstate System of State highways. Sec. 33-36.9 provides for reimbursement of cost of relocating utility facilities along such designated roads located within a city or town (S.B. 291, died in Senate, contained provisions similar to Sec. 33-36.9.)

Second-hand Metals - Sale - S.B. 290, approved March 29, 1958, Chap. 614, amends Sec. 59-153 et. seq. and adds 59-155.1 et. seq., Code of Virginia, making it unlawful to purchase any second-hand copper, copper wire, aluminum, aluminum wire, etc. except from manufacturing, public utility, or industrial companies, or authorized agents of such companies, or from licensed junk dealers. Persons purchasing such second-hand material shall tag each lot with the name of the seller and date of purchase and retain each such lot in his possession for thirty days.

Public Service Companies - Securities - H.B. 83, approved February 6, 1958, Chap. 11, amends Sec. 56-56, Code of Virginia relating to regulation of issuance of securities by public service companies to provide that this section not apply to obligations incurred for purchase of machinery or equipment where such obligations are secured by conditional sales contracts.

Public Service Companies - Property Assessments - H.J. Res. 39, adopted February 13, 1958, expresses approval by the General Assembly of the method followed by the State Corporation Commission in ascertaining, making, and certifying assessments of real estate and tangible personal property of public service corporations to the governing bodies of the counties, cities, and towns of Virginia. (S.J. Res. 3, died in Senate and H.J. Res. 7, died in House, similar to H.J. Res. 39. H.B. 40, died in House, would have added Sec. 58-510.1, Code of Virginia, providing method to be followed by State Corporation Commission in assessing property of public service corporations.)

Eminent Domain - Study - H.J. Res. 19, adopted February 13, 1958, directs the Virginia Advisory Legislative Council to continue the study of laws relating to eminent domain which it made pursuant to H.J. Res. 100 of the 1956 session. The Council is directed to have tentative drafts of proposed revisions printed and circulated for comment to interested parties. Report and recommendations to be filed by October 1, 1959.

Failed

Public Utility Rates - Escalator Clauses - H.J. Res. 98, died in House, would have directed the Virginia Advisory Legislative Council to make a study of escalator clauses in public utility rate schedules.

Public Utility Services - Taxation - H.B. 626, died in House, would have added Sec. 58-851.4, Code of Virginia, to authorize counties to levy a five percent consumer or subscriber tax on water, electricity, gas, local telephone exchange service or other utility services.

Public Utility Companies - Property Taxes - H.B. 711, died in House, would have amended Secs. 58-578 and 58-602, to provide that local real estate and personal property taxes of telephone and electric companies be levied at rates prescribed by the local tax levying authorities.

Telephone

Failed

Public Utility Rates - Escalator Clause - H.B. 688, died in House, would have added Sec. 56-233.1, Code of Virginia, defining the term "escalator clause" to include any arrangement, plan, schedule, rate, toll, or proposal of whatsoever nature providing for an upward adjustment in rates for any service by a public utility company operating in this State, other than a public utility providing electricity, without a public hearing by the Commission after due notice to the public and would have amended (a) Sec. 56-235 to prohibit a rise in utility rates under an escalator clause except after a public hearing; (b) Sec. 56-236, to prohibit rate schedules from containing escalator clauses; and (c) Secs. 56-237 and 56-238, to require 30 days notice for hearings on rate increases.

1958 West Virginia Legislation - Final Report
Session: January 8 to February 7, 1958

(The regular session of the West Virginia legislature convening in even numbered years is restricted to consideration of the annual budget bill, matters contained in the Governor's proclamation, and such matters as may be proposed by two-thirds vote of the legislature.)

Governor's Proclamation

The following excerpt is from the December 27, 1957, proclamation of Governor Cecil H. Underwood listing additional business for the consideration of the West Virginia legislature:

"12. A measure to amend and reenact section six, article three, chapter twenty-four of the Code of West Virginia, 1931, as amended, so as to increase special license fees paid by public utilities, for the costs and expenses of the Public Service Commission."

Governor's Message

The following excerpt is from the January 8, 1958, message of Governor Underwood to the legislature:

"Public Service Commission

"At the extraordinary session last August, I called your attention to the difficulties confronting the Public Service Commission of West Virginia. While the legislature has not studied this problem, the Commission itself has exerted tremendous efforts to improve its service to our people. The one great obstacle is the lack of an adequate staff to keep abreast of a rapidly increasing work load.

"Our statutes authorize the State Auditor to fix and levy a special license fee upon all public utilities to produce a maximum revenue of three hundred thousand dollars annually to pay salaries and expenses of the commission. Not a single dime of taxpayers' money is appropriated for the support of this important branch of the Government. The Commission needs a larger staff than the present assessment will permit. Therefore, they are requesting legislation to increase their maximum possible utility assessment to four hundred thousand dollars annually. It is my understanding that this request will not be opposed by the utilities who will pay the cost.

"The members of the Public Service Commission and its staff are eager to do a better job for our State. They will be happy to work with the Legislature to accomplish this goal."

Legislative Program

Electrification and Telephone

REA borrowers did not undertake a legislative program.

Legislation Considered

Electrification and Telephone

Enacted

Public Service Corporations - Property Assessment - H. Con. Res. 14, adopted January 30, 1958, directs the Joint Committee on Government and Finance to make an investigation and study of the advisability of establishing a State agency for the valuation and assessment of the properties of public service corporations. (S. Con. Res. 4, same as H. Con. Res. 14, died in Senate.)

Failed

Public Service Commission - Investigation - H. Res. 5, died in House, and S. Con. Res. 5, died in Senate, would have authorized creation of a legislative committee to investigate the official acts, rules, and practices of the Public Service Commission of West Virginia and report its findings to the legislature.

- H. Con. Res. 17, died in House, would have authorized the Joint Committee on Government and Finance to investigate the Public Service Commission of West Virginia and report to the next regular session of the legislature.

- H. Con. Res. 6, rejected by the House, would have authorized introduction of legislation relating to the procedures of the Public Service Commission for changing rates or charges of public utilities.

Public Service Commission Fund - License Fees - H.B. 4, passed House, died in Senate, and S.B. 9, died in Senate, would have amended Sec. 24-3-6, Code of West Va. so as to increase the amount of special license fees levied on public utilities subject to regulation by the Public Service Commission.

Telephone

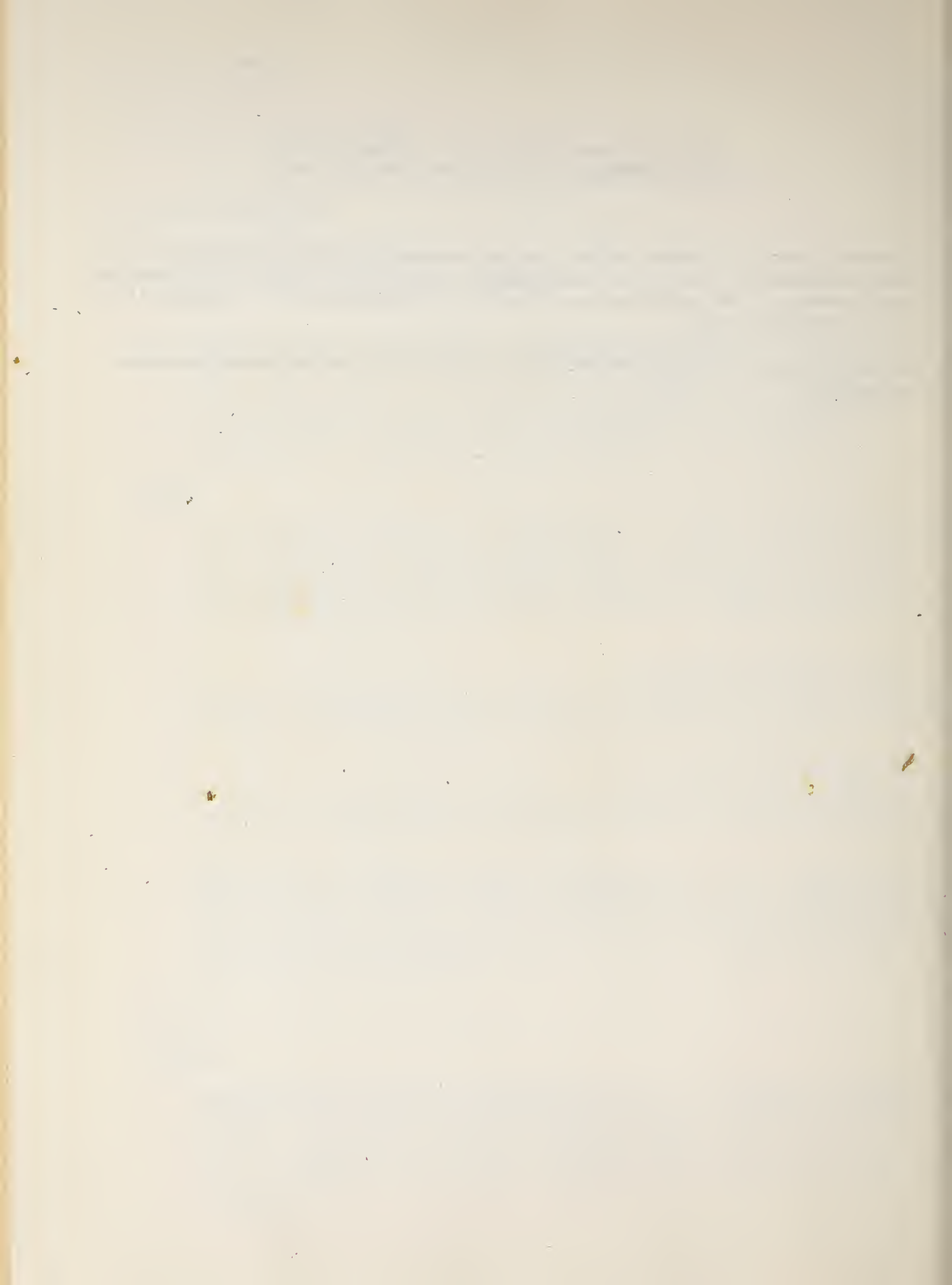
Enacted

Privilege Taxes - Carrier Corporations - S.B. 37, approved February 8, 1958, and effective July 1, 1958, amends Sec. 11-12A-5b, Code of West Va., relating to privilege taxes on certain carrier corporations by repealing the five percent credit on the amount of tax payable for a period of two years. (H.B. 45, same as S.B. 37, tabled in House.)

1958 Wisconsin Legislation - Final Report
Special Session: June 11 to June 13, 1958

Governor Vernon W. Thomson called the legislature into special session to consider legislation relating to unemployment compensation, public assistance and urban renewal. The legislature is limited to consideration of subjects listed in the Governor's call.

No legislation of interest to the REA electrification or telephone programs was noted.





State legislation affecting the
REA program.
1958

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